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Capitalism and Imperialism in the Twentieth and Early Twenty-First Century: A Critical Analysis of Conventional and Marxist Theories of Imperialism

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ABSTRACT

This article provides a critical analysis of conventional and Marxist theories of imperialism. The article then looks at the globalization of capital and imperialism in the twenty-first century and explores the relationship between these two phenomena and examines the forces behind modern imperialism, class struggle, and revolution for the transformation of capitalist imperialism in the twenty-first century with all its political implications. It argues that contemporary capitalist imperialism and its inherent contradictions are going to set the stage for the rise of a global working class movement that will lead to the transformation of capitalist imperialism through a worldwide proletarian revolution in the twenty-first century. Thus, the article concludes by articulating the superiority of Marxist theories of imperialism as against their liberal and critical counterparts in predicting the future course of development of capitalism and the challenges that it will face by an organized international working class movement that is destined to rise up against the capitalist-imperialist system and replace it with socialism in the not too distant future.

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Introduction

Imperialism is not a new phenomenon. The process of global economic, political, and military domination as an all-encompassing overseas expansion of societies across territorial and geographic boundaries, goes back to colonialism and imperialism from the time of the old empires, such as the Roman, Byzantine, and Ottoman, and countless others that used economic power and political-military force to establish a vast network of colonial and imperial outposts across regions of the world that came under their rule to acquire land, resources, labor, and trade routes that later became the hallmark of Spanish and Portuguese colonialism as the forerunners of Anglo-European capitalist imperialism that followed. The rest of the story of Western expansion across the globe is seen as the natural process of globalization of economic, political, social, and cultural life across the planet through the evolution of the nation-state from the nineteenth to the early twenty-first century—a period encompassing the rise of the

British Empire to Pax-Americana to the present—in effect, the period of Anglo-American imperialism.

This new period of capitalist imperialism ushered in an unprecedented era of global economic, political, and military domination, dwarfing any previous attempts to colonize and rule over the world across vast territories spanning continents in building the basis of an overseas network of trade, production, and finance that transformed burgeoning European capitalism of the nineteenth century to venture beyond its traditional national boundaries. The global expansion of capital through this process thus transformed global capitalism into capitalist-imperialism in the late 19th and early twentieth century.

The rapid expansion of capitalism throughout the world during the latter half of the twentieth and the beginning of the twenty-first century has led to the proliferation of literature and renewed discussion and debate on globalization, imperialism, and revolution on a world scale. Much of the controversy on globalization has been over its seemingly unique features, and for this reason some have characterized it as a qualitatively *new stage* of capitalism and capitalist development. Critics of this view, however, have argued in favor of an alternative position that situates contemporary global capitalism within the context of the development of modern imperialism (Petras and Veltmeyer 2001). Globalization, viewed in this way, can be seen as the engine of capitalist expansion on a global scale, and as such facilitating the accumulation of capital throughout the world. Thus, in this sense, contemporary neoliberal capitalist globalization can be seen as an extension of the capitalist accumulation process such that, as imperialism was seen to be the highest stage of capitalism in the early twentieth century, neoliberal capitalist globalization today, in the early twenty-first century, can be seen as the highest stage of capitalist imperialism. It is in this context of the evolution of imperialism in the twentieth century that we critically examine classical and contemporary conventional, world-systems, and Marxist theories of imperialism and its contradictions over the past century.

Classical Conventional and Marxist Theories of Imperialism

Among the classical conventional and Marxist theoreticians and commentators of late nineteenth and early twentieth century development of global capitalism that became transformed into capitalist imperialism on a global scale were John Hobson ([1905] 1972), Rosa Luxemburg ([1913] 1951), and Vladimir I. Lenin ([1917] 1975), who examined the unfolding expansionary process of capitalism into imperialism throughout the world and outlined its nature, dynamics, and contradictions at the turn of the twentieth century.

John Hobson on British Imperialism

John Hobson, an eminent British economist, and member of the British Parliament, was among the first liberal academics to develop an analysis of modern British imperialism as an outcome of the development of capitalism beyond its national boundaries on a world scale. In his book *Imperialism: A Study* (1972), originally published in 1905, Hobson provides a detailed description of how an advanced capitalist economy as that of Great Britain can engage in imperialism through economic expansion around the world, which

resulted in riches for the businesses involved in it, but much to the detriment of the British people at home who suffered its consequences.

“Imperialism,” wrote Hobson at the turn of the twentieth century, “implies the use of the machinery of government by private interests, mainly capitalist, to secure for them economic gains outside their country” (Hobson [1905] 1972, 94). He argued that: “The economic root of Imperialism is the desire of strong organized industrial and financial interests to secure and develop at the public expense and by the public force private markets for their surplus goods and their surplus capital” (106). Thus, “Imperialism,” he concluded, “whether it consists in a further policy of expansion or in the rigorous maintenance of all those vast tropical lands which have been earmarked as British spheres of influence—implies militarism now and ruinous wars in the future” (130). “This truth,” wrote Hobson, “is now for the first time brought sharply and nakedly before the mind of the nation” (130).

The new imperialism, according to Hobson, was an unwise policy not only from the standpoint of the British economy and society, but also in terms of its exploitive consequences in the colonies, which aroused the resentment of oppressed people. This concern led Hobson to raise the central question of his study: “How is the British nation induced to embark upon such unsound business?” (Hobson [1905] 1972, 46). He had no hesitation in his mind to reply: “The only possible answer is that the business interests of the nation as a whole are subordinated to those of certain sectional interests that usurp control of the national resources and use them for their private gain” (46). “Although the new imperialism has been bad business for the nation,” he wrote, “it has been good business for certain classes and certain trades within the nation” (46). And while Britain’s imperialist course appears irrational from the point of view of the nation as a whole, an analysis of the relationship between business and politics, he argued, will show that imperialism, viewed from another angle—that is, from that of certain classes who benefit from it—is far more rational than it appears at first sight: “The aggressive Imperialism,” he said, is not

the product of blind passions of races or of the mixed folly and ambition of politicians. It is far more rational than at first sight appears. Irrational from the standpoint of the whole nation, it is rational enough from the standpoint of certain classes in the nation. (47)

The implications of Hobson’s analysis lead us to conclude that there exist in the national economy interests that benefit, directly or indirectly, from imperialist expansion and that it is these interests that either initiate or support it. Britain’s global strategy of expansion rested primarily on foreign investment, according to Hobson: “By far the most important economic factor in Imperialism,” he maintained, is the influence relating to investments. The growing cosmopolitanism of capital has been the greatest economic change of recent generations. Every advanced industrial nation has been tending to place a larger share of its capital outside the limits of its own political area, in foreign countries, or in colonies, and to draw a growing income from this source (Hobson [1905] 1972, 51).

“The modern foreign policy of Great Britain,” stressed Hobson, “has been primarily a struggle for profitable markets of investment.” “Aggressive Imperialism,” he wrote, “is a source of great gain to the investor who cannot find at home the profitable use he seeks for his capital and insists that his government should help him to profitable and secure investments abroad” (Hobson [1905] 1972, 55).

Hobson's analysis of the central interests involved in imperialist expansion undoubtedly rests on the investor. But, as he later points out, in order to make the analysis complete it is at least equally important to bring in the special role of the financier and his specific relationship to the investor. "If the special interest of the investor is liable to clash with the public interests and to induce a wrecking policy," he argued, "still more dangerous is the special interest of the financier, the general dealer in investments. . . . These great businesses—banking, brokering, bill discounting, loan floating, company promoting—form the central ganglion of international capitalism" (Hobson [1905] 1972, 56). Speaking of the financiers, he said: "there is not a war, a revolution, an anarchist assassination or any other public shock which is not gainful to these men" (58).

Hobson argued that considering all the gains and costs of Britain's imperialist policy, it was clearly detrimental to the interests of the nation and the people as a whole. The contradiction of such venture was great gains for a minority involved in foreign investment and finance capital on the one hand and great expenditure of public money upon the military on the other. The public expense in maintaining the empire was so great that this meant movement toward a permanent debt budget for the state. This led Hobson to the conclusion that "the creation of public debts is a normal and a most imposing feature of imperialism" (Hobson [1905] 1972, 108). But would the people of Britain stand for a policy that pushes for a constantly growing public debt, increasing militarization, and a long-run decline in the standard of living in the nation? Would they be willing to finance such a policy had they been told of its actual dynamics? "Were the capitalist-imperialist forces openly to shift the burden of taxation on to the shoulders of the people," replies Hobson,

it would be difficult under popular forms of government to operate such an expensive policy. The people must pay, but they must not know they are paying, or how much they are paying, and the payment must be spread over as long a period as possible. (Hobson [1905] 1972, 98)

Hobson's detailed observations on the nature, causes, and manifestations of modern imperialism led him to the following inescapable conclusion:

Our economic analysis has disclosed the fact that it is only the interests of competing cliques of businessmen—investors, contractors, export manufacturers, and certain professional classes—that are antagonistic; that these cliques, usurping the authority and voice of the people, use the public resources to push their private interests, and spend the blood and money of the people in this vast and disastrous military game, feigning national antagonisms which have no basis in reality. (Hobson [1905] 1972, 127)

As real as the economic manifestations and political/military implications of modern British imperialism were, and although Hobson did not deny the immense power of these economic factors, he nonetheless did not view imperialism as the necessary outcome of capitalist development. Hobson readily admitted that the conditions of contemporary capitalism constitute the "taproot of imperialism," but he denied that these conditions were unavoidable. Contrary to the argument later developed by Lenin, Hobson repeatedly acknowledged that capitalism would indeed survive and prosper without imperialism. To Hobson imperialism was a disease, a disease inflicted upon an otherwise healthy body (capitalism). Thus, in order for capitalism to prosper, imperialism—which cost the people immense amounts that were wasted in the process of unnecessary militarization—was to be eliminated. And this change could come,

thought Hobson, through political pressure by the taxpayers that would lead to the needed reforms.

Hobson pointed out time and again that the driving force behind imperialism is a definite class interest and to eliminate imperialism the axe must be laid at the economic root of the tree and, in this way, the elimination of the special privileges of the classes for whose interests imperialism works. However, failing to understand the organic link between imperialism and capitalism in its highest monopoly stage, Hobson thought capitalism can be saved by eliminating imperialism.

Rosa Luxemburg on the Accumulation of Capital and Capitalist Imperialism

Rosa Luxemburg, unlike Hobson, developed a systematic argument linking imperialism to the development and expansion of capitalism on a world scale. According to Luxemburg, the expansion of capitalism throughout the world was a manifestation of the inherently expansionary nature of capital accumulation. The integration of new consumers previously outside the capitalist market relations into the world capitalist system was the sine qua non of capital accumulation. This point is made quite clear by Luxemburg:

Capitalist production does not aim at its products being enjoyed, but at the accumulation of surplus value. There had been no demand for the surplus product within the country so capital had lain idle without the possibility of accumulating. But abroad, where capitalist production has not yet developed, there has come about, voluntarily or by force, a new demand for the non-capitalist strata. . . . The important point is that capital accumulated in the old country should find elsewhere new opportunities to beget and realize surplus value so that accumulation can proceed. In the new countries, large regions of natural economy are open to conversion into commodity economy or exiting commodity economy can be ousted by capital. (Luxemburg [1913] 1951, 427–428)

She maintained that a closed capitalist system in the face of monopolization of the market was impossible. Thus, the capitalist system, she argued, was rapidly expanding to all corners of the world in order to integrate areas that had previously remained untapped by capitalists: “Enlarged reproduction, i.e., accumulation,” she wrote, “is possible only if new districts with a non-capitalist civilization, extending over large areas, appear on the scene and augment the number of consumers” (Luxemburg [1913] 1951, 429). This, in essence, was Luxemburg’s central thesis on the theory of imperialism. “Imperialism,” she wrote, “is the political expression of the accumulation of capital in its competitive struggle for what remains still open of the non-capitalist environment” (446). She went on to argue:

Though imperialism is the historical method for prolonging the career of capitalism, it is also a sure means of bringing it to a swift conclusion. This is not to say that capitalist development must be actually driven to this extreme: the mere tendency toward imperialism of itself takes forms which make the final phase of capitalism a period of catastrophe. (Luxemburg [1913] 1951, 446)

The expansion of capital into the peripheral regions of the world, and their integration into the world capitalist system convinced Luxemburg of the existence of a mechanism through which that expansion could take place. This mechanism, tied to the export of capital to pre-capitalist regions, was none other than the large overseas loans advanced by the big financial houses of Western capitalist centers. To illustrate this clearly: “For

the accumulation of capital,” she writes, “the loan has various functions . . . it serves to divert accumulated capital from the old capitalist countries to young ones” (Luxemburg [1913] 1951, 420).

While the transfer of capital continued to flow from the advanced to the previously undeveloped countries of the world capitalist system, herein lay the contradiction of the system on a global scale: to expand the capitalist market, hence the process of capital accumulation, globally, capital is extended to previously non-capitalist regions; by doing this, through foreign loans, “the old capitalist states maintain their influence, exercise financial control and exert pressure on the customs, foreign and commercial policy of the capitalist states”; and in this way, it creates the conditions for its downfall at the widest possible level of worldwide economic crises and political and social turmoil (Luxemburg [1913] 1951, 421). As Luxemburg shows throughout her study, “its movement of accumulation provides a solution to the conflict and aggravates it at the same time” (467). Thus, she concludes:

The more ruthlessly capital sets about the destruction of non-capitalist strata at home and in the outside world, the more it lowers the standard of living for the workers as a whole, the greater also is the change in the day-to-day history of capital. It becomes a string of political and social disasters and political convulsions, and under these conditions, punctuated by periodical economic catastrophes or crises, accumulation can go on no longer. (Luxemburg [1913] 1951, 466–467)

Thus, in the closing pages of her book she concludes:

“Sweating blood and filth with every pore from head to toe” characterizes not only the birth of capital but also its progress in the world at every step, and thus capitalism prepares its own downfall under ever more violent contortions and convulsions. (Luxemburg [1913] 1951, 453)

V. I. Lenin on Imperialism as the Highest Stage of Capitalism

Lenin’s theory of imperialism, like Luxemburg’s, is based on the Marxist analysis of the development of capitalism on a global scale from the late nineteenth to the early twentieth century. It centers essentially around the five fundamental features of the highest stage of capitalist development:

1. The concentration of production and capital has developed to such a high stage that it has created monopolies that play a decisive role in economic life;
2. Bank capital has merged with industrial capital and created, on the basis of this “finance capital,” a financial oligarchy;
3. The export of commodities acquires exceptional importance;
4. International monopolist capitalist combines form and share the world among themselves;
5. The territorial division of the whole world among the biggest capitalist powers is completed.

The beginning point of Lenin’s analysis of imperialism is his conception of the dynamics of modern capitalism—the concentration and monopolization of production: “The enormous growth of industry and the remarkably rapid concentration of

production in ever larger enterprises are one of the most characteristic features of capitalism” (Lenin [1917] 1975, 642); “at a certain stage of its development concentration itself, as it were, leads straight to monopoly, for a score or so of giant enterprises can easily arrive at an agreement” to monopolize the market (643).

He goes on to argue that: “This transformation of competition into monopoly is one of the most important—if not the most important—phenomena of modern capitalist economy” (Lenin [1917] 1975, 643). Lenin points out that “by a theoretical and historical analysis of capitalism [Marx] proved that free competition gives rise to the concentration of production, which, in turn, at a certain stage of development, leads to monopoly.” “Today,” he adds, “monopoly has become a fact . . . and that the rise of monopolies, as a result of the concentration of production is a general and fundamental law of the present stage of development of capitalism” (645). For Lenin, “the real power and significance of modern monopolies” cannot be understood unless one takes “into consideration the part played by the banks” (653).

The principal and primary functions of banks is to serve as middlemen in the making of payments. . . . As banking develops and becomes concentrated in a small number of establishments, the banks grow from modest middlemen into powerful monopolies. . . . This transformation of numerous modest middlemen into a handful of monopolists is one of the fundamental processes in the growth of capitalism into capitalist imperialism. (Lenin [1917] 1975, 653)

Lenin then goes on to explain the “close connection between the banks and industry [when] a personal union, so to speak, is established between the banks and the biggest industrial and commercial enterprises” (Lenin [1917] 1975, 662).

All of these, then, signify to Lenin (1) “the ever-growing merger of bank and industrial capital” and (2) “the growth of the banks into institutions of a truly ‘universal character’” (Lenin [1917] 1975, 664). “Thus, the twentieth century marks the turning point from the old capitalism to the new, from the domination of capital in general to the domination of finance capital” (666). He then goes on to state: “The concentration of production; the monopolies arising therefrom; the merging or coalescence of the banks with industry—such is the history of the rise of finance capital and such is the content of that concept” (667). In this way, Lenin points out, “under the general conditions of commodity production and private property, the ‘business operations’ of capitalist monopolies inevitably lead to the domination of a financial oligarchy” (667).

The obvious international implications of world finance capital led Lenin to examine next the part which the export of capital plays in creating the international network of dependence and connections of finance capital. He argues that unlike under conditions of competition when the principal characteristic of capitalism is the export of *goods*, under the rule of monopolies, it is the export of capital influences and greatly accelerates the development of capitalism in those countries to which it is exported: “While, therefore, the export of capital may tend to a certain extent to arrest development in the capital-exporting countries, it can only do so by expanding and deepening the further development of capitalism throughout the world” (Lenin [1917] 1975, 681).

An important channel through which capital is exported to the peripheral countries is international loans. Lenin points out that, in making these loans, the capital exporting countries are nearly always able to obtain “advantages”: “In these international

transactions the creditor nearly always manages to secure some extra benefit: a favorable clause in a commercial treaty, a coaling station, a contract, a harbor, a fat concession, or an order for guns” (Lenin [1917] 1975, 681). In this financial transaction, writes Lenin:

The most usual thing is to stipulate that part of the loan that is granted shall be spent on purchases in the creditor country, particularly on orders for war materials, or for ships, etc. . . . The export of capital thus becomes a means for encouraging the export of commodities. (Lenin [1917] 1975, 681)

All these observations lead Lenin to conclude that “the capital-exporting countries have divided the world among themselves in the figurative sense of the term. But finance capital has led to the *actual* division of the world” (Lenin [1917] 1975, 683; emphasis original).

Lenin argued that the economic division of the world among capitalist combines is the inherent outcome of the development of capitalism to its highest monopoly stage, stating that: “This is a new stage of world concentration of capital and production, incomparably higher than the preceding stages” (Lenin [1917] 1975, 683). Thus, the division and re-division of the world among the biggest capitalist combines is the result of a permanent struggle between the major capitalist powers, for this is the essence of the contradiction within international monopoly capital:

The capitalists divide the world, not out of any particular malice, but because the degree of concentration which has been reached forces them to adopt this method in order to obtain profits. And they divide it “in proportion to capital,” “in proportion to strength.” (Lenin [1917] 1975, 689)

Thus, the characteristic feature of the epoch of the international expansion of monopoly capital, Lenin argues, is the final and definitive partition of the world—final, in the sense that repartition in the future is possible only in the form of transferring territories from one “owner” to another. This is so because “the colonial policy of the capitalist countries has *completed* the seizure of the unoccupied territories on our planet. For the first time the world is completely divided up” (Lenin [1917] 1975, 690; emphasis original). Related to this territorial division of the world, Lenin gives us hints of the existence of yet another motive force behind imperialism. He argues that as capitalism develops, the need for raw materials (essential for the continued reproduction of capital) increases, and this intensifies the competition between rival imperialist powers to acquire the sources of these raw materials throughout the world. This international rivalry in turn leads the imperialist countries to pursue imperial policies. This is summarized by Lenin in an important passage in *Imperialism, The Highest Stage of Capitalism*:

The more capitalism is developed, the more strongly the shortage of raw materials is felt, the more intense the competition and the hunt for sources of raw materials throughout the whole world, the more desperate the struggle for the acquisition of colonies. (Lenin [1917] 1975, 695)

Thus as the principal feature of imperialism is domination by giant monopolies of advanced capitalist countries, “these monopolies are most firmly established,” argues Lenin, “when *all* the sources of raw materials are captured by one group. . . . Colonial possession alone gives the monopolies complete guarantee against all contingencies in the struggle against competitors” (Lenin [1917] 1975, 695; emphasis original).

The underlying argument of Lenin's analysis of imperialism as the highest stage of capitalism is that imperialism is the *necessary* outcome of the development of capitalism:

Imperialism emerged as the development and direct continuation of the fundamental characteristics of capitalism in general. But capitalism only became capitalist imperialism at a definite and very high stage of its development. . . . If it were necessary to give the briefest possible definition of imperialism, we should have to say that imperialism is the monopoly stage of capitalism. (Lenin [1917] 1975, 699–700)

Thus, in summarizing the fundamental features of imperialism, Lenin concludes:

Imperialism is capitalism in that stage of development in which the dominance of monopolies and finance capital is established; in which the export of capital has acquired pronounced importance; in which the division of world among the international trusts has begun; in which the division of all territories of the globe among the biggest capitalist powers has been completed. (Lenin [1917] 1975, 700)

The Political Implications of Classical Theories of Imperialism

We have seen that there are certain similarities in the positions advanced by Hobson, Luxemburg, and Lenin. They all argue that modern imperialism is a manifestation of the interests of the dominant classes in a handful of developed capitalist countries, and that it is beneficial to a section of the capitalist class engaged in overseas investment and finance as well as to other sections of the bourgeoisie that are linked to it. They also agree that economic gain, derived from the international operations of the big bourgeoisie (and the safeguarding of such operations on a world scale), constitutes the motive force of imperialism. Hence the accumulation of capital and its appropriation by the capitalist class at the world level (through the mechanisms of the capitalist state, which this class controls) lies at the heart of the process of international capitalist expansion, hence of imperialism. But this is where the similarities end.

Hobson who gave us the clues to the link between monopoly capital at home and its operations overseas as the basis of imperialism, nonetheless failed to recognize that modern imperialism (or monopoly capital operating on a global scale) is the direct and inevitable outcome of the development of capitalism itself. This failure to understand the very dynamics of capitalism and the origins of imperialist finance capital led him to view imperialism as an “unnecessary *policy*” of the trusts, which can be eliminated without affecting capitalism. Failing to develop a thorough class analysis of Britain, he viewed the problem (imperialism) from the angle of “the nation” as a whole. This liberal “error,” however, was well in line with Hobson's social-democratic conception of capitalism. That is, he had no qualms about capitalism as such, but only about some of its undesirable manifestations, i.e. imperialism, which led to global wars, oppression of colonial and semi-colonial peoples, and so on. This meant a larger public debt and increased taxes to be paid by the people. Viewed within this framework, Hobson's only recourse was to convince the monopolists (and their politicians in the parliament) that in the long run it would be more profitable for them to confine themselves to the national market, for the problem of overproduction/under-consumption could be overcome simply by raising wages, which would expand the purchasing power of the workers and lead to an increase in local consumption. How Hobson thought the monopolists would

raise wages (which in fact would lower profits) and agree to the relinquishment of their global investments of future profitability based on expanded national consumption, is a puzzle that only idealists such as Hobson could envision. Notwithstanding his wish to return to the old days of *laissez faire*, his only counsel to the masses was to put pressure on the parliament and, if necessary, boycott taxes in order to block the assistance of the state to the monopolists. These are the implications of Hobson's reformist politics on imperialism which are rooted in his conception of the relationship of imperialism to capitalism, and in his non-proletarian, petty-bourgeois/populist view of the contradictions of the highest stage of capitalism.

Luxemburg's and Lenin's arguments are similar and complementary to each other, although they contain some notable variations in emphasis. Luxemburg's argument largely rests on the crisis of overproduction and the necessity of the export of goods (and later capital) for the continued accumulation of capital. Hence, this necessity, which is built into the capitalist system (given that wages are always at a much lower level than that required for the purchase of all the commodities produced), forces the capitalists to realize profit through expansion to colonial and semi-colonial areas that fall outside of capitalist market relations (as well as through the domination of regions and countries that are already part of the world economy). Through the state, which facilitates the expansionary process by extending loans and "aid" to these areas, the capitalists are able to dump their surplus goods and realize profit. Such profit is then invested in the colonies and semi-colonies to further expand the accumulation process and with it the exploitation of labor at global proportions.

Lenin's argument stressed the domination of the export of capital over the export of goods in this period. Lenin's emphasis on the importance of the export of capital is crucial from the angle of its implications concerning the transformation of the relations of production in the colonial and semi-colonial areas. With the export of capital, and the employment of wage-labor that this capital requires in the periphery, Lenin sees capitalism to have reached its highest and final stage when exploited workers throughout the world will rise up in arms against it.

While the implications of Luxemburg's conclusions are similar to those of Lenin's on the question of the exploitation of labor at the global level and the inevitable consequences of this conflict between the exploiter and exploited which would result in proletarian revolution throughout the world, she nonetheless places more of an emphasis on the narrowly economic consequences of capitalism, the central one of which is the crisis of overproduction, now at global (and more catastrophic) proportions. It is this economic crisis preventing more and more the further realization of profit that will bring the downfall of world capitalism, according to Luxemburg. And it is in this sense that Luxemburg falls back to a "crisis theory" of capitalism as opposed to its revolutionary overthrow by the politically-organized international proletariat—a conclusion to be drawn in its clearest form from the arguments presented by Lenin. Thus, Lenin clearly understood the class logic of imperialism and its transformation when he reached the decisive political conclusion that "imperialism is the eve of the social revolution of the proletariat on a worldwide scale" ([1917] 1975, 640)—a conclusion that remains true today as it did when Lenin wrote these words in his book *Imperialism, the Highest Stage of Capitalism* over one-hundred years ago.

Contemporary Conventional and Marxist Theories of Imperialism

There have been various attempts by contemporary scholars to explain the nature and dynamics of imperialism, the rise and fall of empires, and the dynamics and contradictions of capitalist globalization from different theoretical and historical perspectives. Thus numerous attempts have been made to provide competing explanations to account for states that have risen to world prominence and established global empires over long historical periods. Here I will examine a number of contemporary theoretical approaches of those who have attempt to explain the nature and contradictions of imperialism and the origins, development, and transformation of global empires in the twentieth and early twenty-first centuries.

In broad outlines, we can distinguish three major contemporary approaches to the study of imperialism, the world economy, and world empires that attempt to explain the expansion and contraction of the great imperial powers in recent history: (1) the liberal political-military approach; (2) the world-system approach; and (3) the Marxist approach. I take up each of these approaches and briefly examine their theoretical positions and methods of analysis within the context of global power relations as related to the nature and dynamics of imperialism today.

Paul Kennedy and the Liberal Political-Military Approach

The liberal political-military approach to the study of the world political economy is best exemplified by the analysis provided by Paul Kennedy 1987 in his book *The Rise and Fall of the Great Powers*. In it, Kennedy makes a compelling argument in favor of a political-military theory of empire within the context of an analysis of global power relations affected by economic changes and their impact on an empire's relative position in the world order.

Referring to the history of the western powers since the sixteenth century, Kennedy argues that “there is a very clear connection *in the long run* between an individual Great Power's economic rise and fall and its growth and decline as an important military power (or world empire)” (Kennedy 1987, xii; emphasis original). For Kennedy, the critical factor determining “the rise and fall of the Great Powers” is that the dominant world powers/empires “steadily overextend themselves in the course of repeated conflicts and become militarily top-heavy for their weakening economic base.”

In these more troubled circumstances, the great power is likely to find itself spending much *more* on defense than it did two generations earlier, and yet still discover that the world is a less secure environment—simply because other powers have grown faster, and are becoming stronger. Great powers in relative decline instinctively respond by spending more on “security,” and thereby divert potential resources from “investment” and compound their long-term dilemma (Kennedy 1987, xxiii).

As a result of such military over-extension, which drains productive resources of a nation and brings about an economic decline,¹ a great power increasingly runs the risk of being replaced by rival states which do not have such a military burden and are thus in a better economic position to overtake and surpass a declining empire, as in the case of the current competition between the United States and China, which may lead to dislodging of the US as the main economic hegemon, as the US fears China's

ascendency. A common analysis of this situation, congruent with Kennedy's argument, seems to be that the US is overextended with its 800 military bases in 70 countries around the world, and China is not setting up military bases everywhere, but instead is concentrating on its economic future as a rising global power. In fact, it is precisely in this way, according to Kennedy, that shifts in global power centers occur and transformations in the world political economy take place:

An economically expanding Power—Britain in the 1860s, the United States in the 1890s, Japan today [in the 1980s]—may well prefer to become rich rather than to spend heavily on armaments. A half-century later, priorities may well have altered. The earlier economic expansion has brought with it overseas obligations (dependence upon foreign markets and raw materials, military alliances, perhaps bases and colonies). Other, rival Powers are now economically expanding at a faster rate, and wish in their turn to extend their influence abroad. (Kennedy 1987, xiii)

Finally, the burden of military spending to maintain a global empire becomes more serious, and the decline and fall of a state from empire status that much more likely, if the state in question is also experiencing a relative economic decline:

If a state overextends itself strategically—by, say, . . . the waging of costly wars—it runs the risk that the potential benefits from external expansion may be outweighed by the great expense of it all—a dilemma which becomes acute if the nation concerned has entered a period of relative economic decline. (Kennedy 1987, xvi)

While without a sufficiently large economic base an empire cannot for long be able to sustain political-military power and remain a dominant force on the world scene, it is ultimately the overextended projection of strategic military force, with all the economic costs it entails, and with it a corresponding decline in the economy itself, that finally brings about the decline and fall of a world empire, according to Kennedy. Thus, “a top-heavy military establishment may slow down the rate of economic growth and lead to a decline in the nation's share of world manufacturing output, and therefore wealth, and therefore *power*” (Kennedy 1987, 445; emphasis added). “A dilemma,” Kennedy reminds us, “which becomes *acute* if the nation concerned has entered a *period of relative economic decline*” (xvi; emphasis added).

This simple, yet provocative, explanation of the world-historical process confronting the major world powers today—such as the United States, with its large-scale military intervention in the Middle East, precisely at a time when the US economy was about to enter a deep recession—is both instructive and timely. It also provides a framework for analysis of the US economy and polity and the role of military spending vis-a-vis the structural problems of the US economy and the state in this subsequent period of decline and decay.

However, as in other liberal political accounts of the global political economy, Kennedy's approach, focusing as it does on the nation-state as the main unit of analysis, seriously limits our understanding of the nature and causes of global conflicts, rivalry, and shifts in power that can otherwise be more clearly delineated by an analysis of classes and class conflicts lodged in particular nation states. Restricted to an empirical-descriptive diplomatic history of the world political situation shaped by the general concepts of nations and empires, defined in geographic, and political-military terms—albeit affected by economic changes, but divorced from an understanding of the logic of a historically

specific dominant mode of production as ultimately determining the nature, scope, and extent of an empire's political-military power and its global dynamics—Kennedy's liberal-institutional approach fails to provide an analysis of the real forces behind the surface manifestations of political behavior of states/empires at the global level.

In the absence of the application of a theory of economic systems to define states in accordance with their social-economic base in production, or, for that matter, by any other definition, Kennedy's universalist treatment of states/empires divorced from historical time and space leads him to lump Ming China, Tokugawa Japan, Ottoman Turkey, France, Britain, Germany, the United States, the USSR, as well as all other major political-military powers, past and present, into the same category, with some—the most powerful and prominent—given great power status, without regard to their social-economic systems or relations of production or the class nature of the state (Kennedy 1987).

Kennedy's central argument, revolving around the military element explaining the rise and fall of empires, thus forces him to look at these states in the same way, hoping to find a uniformity of causation in factors contributing to their decline and fall and in the process failing to explain the systemic reasons for each case that is socially and historically specific. By failing to see that global military expansion of the Western powers as a manifestation of economic expansion by the capitalist class internationally and that the globalization of capital leads to the establishment of global economic domination by the capitalist monopolies, which in turn necessitates the capitalist state to expand its political-military influence and action internationally in order to protect the interests of its capitalist class, thus establishing itself as a global empire, Kennedy characterizes the world order as an "anarchical" one wherein "egoistical" nation-states fight it out in endless wars for world supremacy. Thus, given their common logic, the struggle for power, what determines the success or failure of these states now turned world empires, according to Kennedy, is the degree to which they can balance their military ambitions with the reality of their available economic resources. A disparity between the two, resulting in military overexpansion, is a formula for failure, which signals long-term decline and demise. However, Kennedy fails to see that global economic expansion of a given state (which leads to increased military expenditures to defend its global interests), would, in turn, adversely affect its domestic economy on which it depends for further military spending to sustain the empire. Thus, he fails to see that the global expansion and relocation of monopoly capital (causing a reduction in the size and strength of the domestic economy, hence its ability to support an over-extended military on a world scale) is the *real* reason for decline and fall of empire.

Starting his analysis in an inverted order, however, Kennedy fails to tell us why an empire would overextend itself militarily in the first place, and inflict upon itself economic disaster, thus running the risk of being replaced by a global rival. One would like to know: who are the dominant forces that are pushing for such military expansion, and why? Although it may ruin the economy of an entire nation, who (which social class) might benefit from such military expansion? That the logic of an economic system and the class forces that control it may well be the driving force of such action, and not the "preferences," "priorities," or "wishes" of states, as Kennedy would have it, never occurs to him as the decisive factor explaining, in the end, the rise and fall of the great powers in the world today.

Immanuel Wallerstein and the World-System Approach

In contrast to the liberal tradition in political theory, Immanuel Wallerstein (1974a) has provided an alternative, “world-system” approach for an analysis of the global political economy since the origins of capitalism in Europe in the 16th through the 18th centuries. Explaining his method in selecting the world system as the unit of analysis, rather than the nation-state, Wallerstein argues that he “abandoned the idea altogether of taking either the sovereign state or that vaguer concept, the national society, as the unit of analysis” (7). He goes on to say: “I decided that neither one was a social system and that one could only speak of social change in social systems. The only social system in this scheme was the world system” (7). “Once we assume that the unit of analysis is such a world system and not the state or the nation or the people,” he argues, “then much changes in the outcome of the analysis”: Most specifically, we shift from a concern with the attributive characteristics of states to concern with the relational characteristics of states. We shift from seeing classes (and status groups) as groups within a state to seeing them as groups within a world-economy (Wallerstein 1989, xi).

Conceptualizing global power struggles as those in accordance with the requirements of a world system that dominates the global political economy over an entire historical period, the world-system approach attempts to provide tools of analysis to examine contemporary global political-economic developments in the context of the logic of the capitalist world economy that has come to dominate the structure of economic relations on a world scale since the sixteenth century.

The capitalist world economy, defined in terms of market and exchange relations, which binds states under its yoke across the world, brings capitalist and non-capitalist states alike under its sway and determines the nature and course of these states’ development as dictated by the most powerful state in the world system in a given historical epoch. But competition and rivalry between the leading states engaged in struggle for domination of the world system leave open the possibility that a dominant state in a given historical epoch will be replaced by another:

While the advantages of the core-states have not ceased to expand throughout the history of the modern world-system, the ability of a particular state to remain in the core sector is not beyond challenge. The hounds are ever to the hares for the position of top dog. Indeed, it may well be that in this kind of system it is not structurally possible to avoid, over a long period of historical time, a circulation of elites in the sense that the particular country that is dominant at a given time tends to be replaced in this role sooner or later by another country. (Wallerstein 1974a, 350)

Moving beyond nation-states and formulating the problem in world systemic terms, Wallerstein has thus provided an alternative explanation of the rise and fall of world systems, which take place in much longer historical periods and constitute the very basis of world-historical transformations.

In “The Rise and Future Demise of the World Capitalist System,” Wallerstein (1974b) argues in favor of just such a conceptualization in explaining the origins, development, and future transformation of the capitalist world economy and system. Likewise, situating the problematic in a broader historical context of systemic transformation, Wallerstein (1974a) elsewhere, in *The Modern World-System*, attempts to explain the

transition from feudalism to capitalism in Western Europe and the subsequent rise of capitalism in such world systemic terms.

An essential element in the global analysis of the modern world-system is the theory's three-tiered model of "core," "periphery," and "semiperiphery," which divides the world-system into three areas or zones that are defined on the basis of a society's level of development and incorporation into the world-system. Moreover, the political-economic content of such incorporation determines whether a given social formation is part of the core, the periphery, or the semi-periphery (Wallerstein 1974a, 1974b).

The organizing principle of this operation is the categorical differentiation of levels of the world-system: core, semiperiphery, and periphery. These zones, distinguished by their different economic functions within the world-economic division of labor . . . structure the assemblage of productive processes that constitute the capitalist world-economy. (Hopkins and Wallerstein 2016, 123–124)

"On a world-scale," continue Hopkins and Wallerstein, "the processes of the division of labor that define and integrate the world-economy are . . . [those] which we designate as 'core' and 'periphery'" (Hopkins and Wallerstein 2016, 87). Moreover, "although obviously derivative from the core-periphery conception," they add, "there exists a third category, structurally distinct from core and periphery": "Looking at the world-economy as a whole, . . . [there exists] a basically triadic world-scale division of labor among, now, core states, semi-peripheral states, and peripheral areas" (Hopkins and Wallerstein 2016, 89–90). Thus:

The world-economy became basically structured as an increasingly interrelated system of strong "core" and weak "peripheral" states, in which inter-state relations . . . are continually shaped and in turn continually shape the deepening and expanding world-scale division and integration of production. (Hopkins and Wallerstein 2016, 85)

This brings up the question of "the network(s) of governance or rule in the area." "In this respect," write Hopkins and Wallerstein, "incorporation entails the expansion of the world-economy's interstate system" (Hopkins and Wallerstein 1981, 245). Thus, the main feature of the modern world system is, in essence, the transfer of surplus from the periphery to the core of the system, conceptualized in a manner similar to the Frankian "metropolis-satellite" model of domination and "exploitation." The mechanism whereby this transfer takes place is "unequal exchange," a mechanism made possible by the domination of peripheral states by those in the core. More specifically, Wallerstein argues that without this process of "unequal exchange" the capitalist world economy could not exist:

Such a system [of unequal exchange] is *necessary* for the expansion of a world market if the primary consideration is *profit*. Without *unequal* exchange, it would not be *profitable* to expand the size of the division of labor. And without such expansion, it would not be profitable to maintain a capitalist world-economy, which would then either disintegrate or revert to the form of a redistributive world-empire. (Wallerstein 1979, 71; emphasis original)

Despite the subordination of peripheral states to those in the core, and the exploitation of the former by the latter through surplus extraction, the modern world system allows, under certain conditions and in the context of certain political-economic processes, the transformation of some peripheral states into semi-peripheral ones. However, such

transformation (or mobility) of states along the three-tiered continuum takes place within the context and logic of the system as a whole and as a consequence of the dictates of the dominant world system in a given historical period. Thus the various parts of the system that make up its totality always function within the framework of the relationship of the parts to the whole.

Although Wallerstein's world-system approach is certainly a major improvement over Kennedy's ahistorical eclecticism, it nevertheless suffers from a number of fundamental flaws that must be pointed out. The first, and central, flaw of this approach is the treatment of the world system in strictly circulationist terms. Capitalism, defined as a system of accumulation for profit through the market, is conceptualized in the context of exchange relations. Thus, economic relations take place between states within the context of such market exchange. As a result, the question of the mode of production, and its social component, relations of production, is ignored or eliminated from analysis, such that class relations and class struggles based on relations of production also disappear as irrelevant. We are thus left with the generalized abstract notions of "world-system" and "world-economy" consisting of the three zones (core, periphery, and semi-periphery) between which all the major global relations and conflicts take place. And since changes in any of these three zones, by themselves, cannot bring changes in the world economy or the system as a whole, the system, in all its totality and static abstraction, becomes an end in itself, in effect, an ideal-typical construct studied for its own sake.

Having criticized Paul Kennedy's great powers approach for its universalism and ahistorical eclecticism with regard to the sources of power and politics in the world political economy, we now find ourselves confronting the equally universalist and ahistorical static abstractions of the world-systems approach, which has taken us far along an analysis of the broader systemic logic of the capitalist world economy, but not near enough to its class contradictions and conflicts that would provide us the clues to the underlying dialectical class structure and class logic of the empire. For this we must turn to the Marxist approach.

Albert Szymanski, James Petras and the Marxist Approach

In response to the deficiencies of both the liberal-political and world-system approaches I have examined above, there has emerged a third, contemporary Marxist approach in critical theorizing on the nature of the state, empire, and imperialism.

While there are numerous prominent examples of this approach in contemporary political economy surrounding the debate on imperialism and the state on a world scale during the past several decades, I will focus on the analysis provided by Albert J. Szymanski (1981) in *The Logic of Imperialism* as representative of works written in this class-analysis tradition.

"The motive force behind capitalist imperialism," writes Szymanski (1981, 123), "is found to be the maximization of profits by the transnational corporations that dominate the foreign relations of the major capitalist states." "These giant corporations and banks," he adds, "are able to transform their tremendous domestic and international wealth into political power, turning the state into an instrument that guarantees their profits" (147). Thus the international role of the dominant imperialist states is centered on preserving a general climate favorable to profitable investment and trade and is oriented to advancing

the interests of the imperialist system as a whole. Moreover, the “various forms of military intervention used by the imperialist states” must, therefore, be seen as “an attempt to ensure the interests of the transnational corporations” (177). Thus, “to secure the profits of empire . . . a strong world military presence is required that can suppress or intimidate attempts to arouse socialist or nationalist revolutions” (517). In this way, the supremacy of the imperialist state and transnational capital can be assured throughout the empire.

The relationship between the owners of the transnationals—the monopoly capitalist class—and the imperialist state and the role and functions of this state, including the use of military force to advance the interests of the monopoly capitalist class, thus reveals the class nature of the imperialist state and the class logic of imperialist expansion on a world scale. But, as Szymanski points out, this logic is more pervasive and is based on the logic of a more fundamental class relation between labor and capital that now operates on an international scale, that is, a relation based on exploitation. Thus, in the epoch of capitalist imperialism, “classes,” writes Szymanski, “are a product of the logic of the world capitalist system”:

It is the logic of the relationship between the international capitalist class and the working class . . . that is the primary cause of social structures, political forms, and their transformations. The logic of classes generally explains the actions of nation-states. . . . Class logic is, in the last analysis, the fundamental integrating force in any world system. . . . [Thus] classes, not nations, must be considered the most fundamental active units of world systems. (Szymanski 1981, 15–16)

This position is echoed by James Petras (1978) in *Critical Perspectives on Imperialism and Social Class in the Third World*, where he writes:

The capitalist world market thus must be demystified from a set of static institutions/factors and described essentially for what it is: a series of class relationships that have their anchorage and instrumentation in the imperialist states. The world market operates through the class-directed institutions that impose the exploitative class relationship throughout the world. The world capitalist system can best be analyzed by examining the hegemonic class relationship and imperialist state and conflicting class relationships that emerge in each formation. (Petras 1978, 39)

Thus, “it is out of these class relationships and the power of the contending classes,” Petras (1981, 8) writes elsewhere, “that the integration/disintegration of the imperial system originates.” Hence, “the more centrally the class struggle affects the overall functioning of the imperial system, the more absolute dependence between state and class structure”:

The image of the imperial state standing above the class structure that organizes imperialist wars in fact disguises the greatest concentration of social power into the executive agencies of the imperial state and the subordination of civil society to the organized power of the imperial capitalist class. (Petras 1981, 10–11)

It is for this reason, Petras stresses, that

the critical problem for analysis is . . . one of examining the conditions under which the process of capital accumulation takes place and its impact on the class structure. Class relations are viewed as a point of departure within which to locate the problem of capital accumulation and expansion. (Petras 1981, 37)

Explaining the class logic of global capitalist expansion in the twentieth century, “Imperialism,” writes Szymanski (1981, 6), “involves the exploitation of the producer or working classes in the dominated country by economic interests based in the dominating country.” And the mechanism that facilitates this exploitation is foreign investment (in raw materials and, increasingly, in manufacturing), which, by way of cheap labor and raw materials, obtains high rates of profit for the transnational monopolies based in the advanced capitalist countries: “Foreign investment is immensely profitable for the transnational corporations. It is in such profitability that the motive behind imperialism is found” (133). Thus, imperialism has been an enormous source of profits and wealth for the capitalist class of the advanced capitalist countries, who, through the transnational monopolies and the imperial state, have accumulated great fortunes from the exploitation of labor on a world scale.

Given the uneven development of capitalism, however, some countries have grown more rapidly than others, while previously less-developed countries have emerged as new centers of world capitalism. The rivalry between the capitalist classes of the old and newly emergent capitalist states has turned into rivalry among the leading countries within the world capitalist system. This has led to intense competition and conflict between the rising capitalist powers and the declining imperial centers on a world scale, hence leading to shifts in centers of global economic and political power. It is clear that in the post–World War II period the United States emerged as the dominant power in the capitalist world. In subsequent decades, the US controlled transnational production reached a decisive stage, necessitating the restructuring of the international division of labor, as the export of productive capital effected a shift in the nature and location of production—the expansion of manufacturing industry on an unprecedented scale into previously precapitalist, peripheral areas of the world capitalist economy. This marked a turning point in the rise to world prominence of the United States as it established itself as the leading capitalist/imperialist power in the world.

Globalization of Capital and Imperialism in the Twenty-First Century

The development and expansion of capitalism in the twentieth century set the stage for the globalization of capital and modern imperialism across the world now led by the United States as the premier imperialist state in the postwar period when it acquired its role as supreme leader of the world following World War II. Thus, globalization of US capital and the political-military component of the US state became firmly established by the middle of the twentieth century. The term globalization, however, did not enter the academic literature until much later, in the early 1990s, when authors like Robert J. S. Ross and Kent C. Trachte (1990) began to explore global capitalism as the “new leviathan,” a discovery that had been around for a long time but now appeared as the “new imperialism” of the late twentieth century. Others who had long been examining the dynamics of mid- to late-twentieth-century imperialism, such as Harry Magdoff (1969, 1978, 1992), Michael Hudson (2003), John Bellamy Foster (2006), Michael Parenti (1995, 2011), had established the framework of discussion and debate on the broader parameters of the Marxist approach to imperialism and globalization, which set the stage for further debates on the nature and contradictions of imperialism and globalization in the twentieth and early twenty-first century and how these contradictions embedded in the

imperialist system were going to undermine and transform global capitalism in the twenty-first century.

Globalization or Imperialism?

The intellectual shift from what Lenin called “modern imperialism” to “globalization” came at a time when academic interest in the global political economy became a mainstay of social scientific studies promoted by a host of critical scholars informed by Marxist analysis in the early twenty-first century. Building on the tradition of Marxist political economy and guided by Lenin’s pioneering work on modern imperialism, globalization studies were transformed into studies that directly focused on the processes of modern imperialism (Brewer 1980; Barone 1985; Harvey 2003, 2006; Callinicos 2009; Petras and Veltmeyer 2001, 2005, 2018; Dunn 2014). Thus, in this framework, the recent wave of globalization is an extension of the logic of capitalist imperialism which operates at a more advanced and accelerated level. In this sense, we could say that while imperialism is the highest stage of capitalism operating on a world scale, capitalist globalization is the highest, more intense and accelerated stage of imperialism that has penetrated every corner of the world (Berberoglu 2003; Parenti 1995, 2011; Petras 2020). Both are an outgrowth of twentieth century monopoly capitalism—an inevitable consequence, or manifestation, of monopoly capital that now dominates the world capitalist political economy (Halliday 2001; Robinson 2004; Foster 2006; Panitch and Gindin 2013; Hart-Landsberg 2013; Screpanti 2014). Thus, the recent wave of globalization is an extension of this process which operates at the highest and most advanced level.

The relationship between the owners of the transnational corporations—the monopoly capitalist class—and the imperialist state and the role and functions of this state, including the use of military force to advance the interests of the monopoly capitalist class, thus reveals the class nature of the imperialist state and the class logic of globalization and imperialism today (Warren 1980; Szymanski 1981; Berberoglu 1987, 1992, 2003; Petras 1981, 2020). But this logic is more pervasive and is based on a more fundamental class relation between labor and capital that now operates on a thoroughly global level—that is, a relation based on exploitation. Thus, in the age of capitalist globalization, i.e., in the epoch of advanced capitalist imperialism, intensified class struggles across the world are a product of the logic of the global capitalist system (Gerstein 1977; Petras 1978; Veltmeyer 2010; Berberoglu 2009, 2019).

Imperialist expansion has had varied effects in the international and domestic economic spheres. At the global level, it has meant first-and-foremost the ever-growing exploitation of workers through the use of cheap labor. In addition, it has caused a depletion of resources that could be used for national development, environmental pollution and other health hazards, a growing national debt tying many countries to international banks and other imperialist financial institutions, and a growing militarization of society through the institution of brutal military and civilian dictatorships around the world that violate basic human rights. These and other related contradictions of global capitalism define the parameters of modern, capitalist imperialism and provide us the framework of discussion on the nature and dynamics of imperialism and globalization in the world today.

Building on Lenin's theory of imperialism in examining the dynamics of imperialist globalization in the twenty-first century, Enfu Cheng and Baolin Lu (2021) in their latest article identify five characteristics of neo-imperialism, which they define as "the specific contemporary phase of historical development that features the economic globalization and financialization of monopoly capitalism." They go on to identify these characteristics as: (1) the new monopoly of production and circulation; (2) the new monopoly of finance capital, which generates economic financialization; (3) the monopoly of the US dollar and intellectual property; (4) the new international monopoly alliance of oligarchic capitalism; and (5) the economic essence and general trend of neo-imperialism based on the globalized contradictions of parasitic and decaying capitalism (Cheng and Lu 2021). These five central characteristics of contemporary neo-imperialism are then discussed at length within the historical framework of the postwar development and expansion of capitalist globalization that has reached a new and more pervasive stage of capitalist imperialism that dominates and rules over the global capitalist system in the early twenty-first century. However, Cheng and Lu (2021) also emphasize that this latest stage of global capitalist expansion is replete with deep-seated contradictions and crises of neoliberal capitalist globalization, which conveys the parasitic and decaying nature of contemporary capitalism that now operates under conditions of neo-imperialism.

Given the logic of global capital accumulation in late capitalist society, it is no accident that the crises and decline of the domestic economy of advanced capitalist countries over the past several decades corresponds to the *accelerated* export of capital abroad in search of cheap labor, access to raw materials, new markets, and higher rates of profit in a much more aggressive way than under conditions of earlier imperialist expansion at the turn of the twentieth century, when Lenin identified the initial characteristics of imperialism as capitalism became transformed into capitalist imperialism. With changes in the nature and accelerated spread of neo-imperialism in the late twentieth and early twenty-first century, global capitalism, in particular its nucleus the United States, began to face a new set of economic, social, and political problems at home. The resulting deindustrialization of the domestic economy has had a serious impact on workers and other affected segments of the laboring population and has caused immense dislocations in the national economies of imperialist states. Expansion of manufacturing industry abroad has meant a decline in local industry, as plant closings in advanced capitalist countries has worsened the domestic economy. The massive expansion of capital abroad has resulted in thousands of factory shutdowns with millions of workers losing their job, hence the surge in unemployment in the imperialist states (Wagner 2000). This has led to a decline in wages of workers in the advanced capitalist centers, as low wages abroad have played a competitive role in keeping wages down in the imperialist heartlands. The drop in incomes among a growing section of the working class has thus lowered the standard of living in general and led to a further polarization between labor and capital, especially in the distribution of wealth and income, in the United States and other countries around the world (Berberoglu 1992, 2002, 2010, 2022; Orr 2010).

The dialectics of global capitalist expansion which has caused so much exploitation, oppression, and misery for the peoples of the world both in the periphery and in the imperialist centers themselves has, in turn, created the conditions for its own destruction. Economically, it has afflicted the system with recessions, depressions, and associated realization crises; politically, it has set into motion an imperial interventionist state

that through its presence in every corner of the world has incurred an enormous military expenditure to maintain its empire. Such state intervention on behalf of the monopolies has heightened the contradictions that have led to the crisis of the advanced capitalist state.

The widening gap between the accumulated wealth of the capitalist class and the declining incomes of workers (within a deteriorating national economy and the state's budgetary crisis) has led to the ensuing political crisis within the state apparatus and has sharpened the class struggle in a new political direction. As the crisis of the capitalist economy has brought the advanced capitalist state to center stage of economic life and revealed its direct ties to the monopolies, thus exacerbating the state's legitimization crisis, the struggles of the working class and the masses in general are becoming directed not only against capital, but against the state itself (Beams 1998). This transformation of the workers' struggles from the economic to the political sphere will set the stage for protracted struggles in the period ahead—struggles which will take place in the context of an intensifying worldwide capitalist crisis and in the midst of a much more politicized international labor movement. The globalization of capital is thus bound to accelerate the politicization of the working class and lead to the building of a solid foundation for international solidarity of workers on a world scale, directed against imperialism and the advanced capitalist state (Howard 1995; Bina and Davis 2002).

The imperial capitalist state, acting as the repressive arm of global capital and extending its rule across vast territories, has dwarfed the militaristic adventures of past empires many times over. The global capitalist state, through its political and military supremacy, has come to exert its control over many countries and facilitated the exploitation of labor on a world scale. As a result, it has reinforced the domination of capital over labor and its rule on behalf of capital. This, in turn, has greatly politicized the struggle between labor and capital and called for the recognition of the importance of political organization that many find it necessary to effect change in order to transform the capitalist-imperialist system.

Imperialism, Class Struggle, and Revolution

Given what we know of imperialism and its class contradictions on a world scale, how will the peoples' movements respond to imperialism *politically* worldwide? The question we confront now is thus a *political* one. What strategy and tactics will need to be adopted to confront this colossal force? It is important to think about these questions concretely, in a practical way—one that involves a concrete scientific analysis and organized *political action*.

Understanding the necessity of organizing labor and the importance of political leadership in this struggle, radical labor organizations have in fact taken steps emphasizing the necessity for the working class to mobilize its ranks and take united action to wage battle against capitalist imperialism globally (Waterman 1998; Munck and Waterman 1999; Siebert 2000; Nissen 2002). In this sense, labor internationalism (or the political alliance of workers across national boundaries in their struggle against global capitalism) is more and more being seen as a political weapon that would serve as a unifying force in labor's frontal attack on capital in the ensuing class struggle (Beams 1998; Katz-Fishman, Scott, and Modupe 2002). The necessity of the struggle against global capital in an

organized political fashion has been emphasized by working class organizations throughout the twentieth century, stressing the importance of international working class solidarity (or proletarian internationalism) in the worldwide effort to wage a successful struggle against global capitalism.

Historically, there have been numerous successful attempts of rebellions and revolutions against capitalist imperialism throughout the course of the twentieth and early twenty-first century. The Great October Socialist Revolution in Russia, the first proletarian revolution of the twentieth century against the Russian Empire and eleven other imperialist states that attempted and failed to defeat the newly established workers' state, followed by numerous uprisings and rebellions in Europe and elsewhere around the world during and in the aftermath of the Great Depression through World War II, culminating in the Chinese Revolution after the war, followed by the Cuban Revolution a decade later, and subsequently wars of national liberation and revolutions in Vietnam and elsewhere shook the capitalist world to its foundations (Berberoglu 2007). Revolutions in Angola, Mozambique, Guinea-Bissau, Zimbabwe, Nicaragua, Iran, Grenada, the Philippines, South Africa, and Mexico in the late twentieth century ushered in a period of revolutionary fervor that eventually led to the Arab Spring across the Middle East and North Africa in the early twenty-first century (Dabashi 2012) which inspired the mass protests of the Occupy Wall Street Movement in the heartland of imperialism, in New York City, spreading across hundreds of other cities in the United States and around the world in the aftermath of the Great Recession of 2008–2009 are all part of the global struggle against imperialism and capitalist globalization. This has been the case wherever imperialism has shown its ugly head from Iraq to Afghanistan and beyond, as the people's anti-imperialist movements have continued to battle against imperialist occupation, plunder, and exploitation of nations, resources, and peoples, especially working people, across the world (Parenti 2011; Petras 2020). This rich history of anti-imperialist struggle waged by the working class and its revolutionary leadership shows us the way forward toward the future trajectory of peoples' struggles and revolutionary political actions that will bring down global imperialism and with it the global capitalist empire led by the United States.

While there have been great successes of the working classes and the laboring masses across the world in the struggle against capitalist imperialism and the American Empire in particular over the past century, the conservative class-collaborationist leadership of the US labor movement in the postwar period, through the anti-communist witch-hunts of the 1950s to the present in service of US imperialism, has been a great impediment in advancing the interests of the international working-class movement, as the right-wing, anti-communist leaders of the US labor aristocracy played a counter-revolutionary role in collaborating with the CIA (Central Intelligence Agency) in crushing revolutionary working-class movements across the globe, serving the interests of US imperialism as a conduit of the American Empire—a poison that Lenin had warned us about in speaking of the labor aristocracy and its leadership as the enemy within more than a century ago. The continuation of this reactionary role of the leadership of the US labor movement to this day in the midst of the weakening of labor unions due to the globalization of capital and outsourcing of labor abroad that has contributed to the decline in union membership over the past several decades does not bode well for the labor movement in the United States in the period immediately ahead.

Imperialism today, in the early twenty-first century, has a dual, contradictory character whose dialectical resolution is an outcome of its very nature—a product of its growth and expansion across time and space within the confines of a structure that promotes its own demise. However, while the process itself is a self-destructing one, it is important to understand that the nature of the class struggle that these contradictions have generated is such that the critical factor that tips the balance of class forces in favor of the working class to win state power is strong political organization, the building of class alliances among the oppressed and exploited classes, the development of a theoretically well-informed revolutionary leadership that is organically linked to the working class, and a clear understanding of the forces at work in the class struggle, including especially the central role of the state and its military and police apparatus in defense of the empire—the focal point of the struggle for state power (Szymanski 1978; Knapp and Spector 2011). The success of the working class and its revolutionary leadership in confronting the power of the imperialist state thus becomes the critical element assuring that once captured, the new proletarian state can become a political instrument that the workers can use to establish their rule and in the process transform society and the state itself to promote proletarian interests in line with its vision for a new socialist society free of exploitation and oppression—one based on the rule of the working class and the laboring masses in general.

The necessity for change and social transformation, which is a political one, demands a clear, scientific understanding of modern imperialism in its late twentieth and early twenty-first century form, so that this knowledge can be put to use to facilitate the class struggle in a revolutionary direction. In this context, one will want to know not only the extent and depth of global capitalist expansion, but its base of support, its linkage to the major institutions of capitalist society (above all the state, but also other religious, cultural, and social institutions), the extent of its ideological hegemony and control over mass consciousness, and other aspects of social, economic, political, cultural, and ideological domination. Moreover—and this is the most important point—one must study its weaknesses, its problem areas, its vulnerabilities, its weak links, and the various dimensions of its crisis—especially those that affect its continued reproduction and survival. Armed with this knowledge one would be better equipped to confront capital and the capitalist state in the struggle to transform capitalist globalization and imperialism in the twenty-first century. Together, these struggles have been effective in frustrating the efforts of imperialism to expand and dominate the world, while at the same time building the basis of an international working class movement that finally overcomes national, ethnic, cultural, and linguistic boundaries that artificially separate the workers in their fight against imperialism. The solidarity achieved through this process has helped expand the strength of the international working class and increased its determination to defeat imperialism and all vestiges of global capitalism throughout the world and build a new egalitarian world social order that advances the interests of the working people and ultimately all of humanity.

Note

1. One should note here the special role of defense contractors and the influence that they exert over the state that results in greater military spending, imperial wars, and overall global

imperialist expansion, as pointed out by Marxist political economists. On this point, see Hossein-Zadeh (2006) who argues that military-imperialism is a special parasitic form of imperialism that serves the interests of defense contractors and pushes for military ventures that may even damage the interests of other sections of the capitalist class. This dovetails with, but also differs significantly from, Kennedy's argument. Likewise, Parenti (1995, 2011) who has often reminded us that "the empire feeds off of the republic" stresses the fact that the costs paid for by imperial wars and the maintenance of immense military spending levels is largely contrary to the interests of the working class. However, looking at this from a Marxist perspective, neither Parenti nor Hossein-Zadeh would lose sight of the mode of production like Kennedy.

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